



State of Utah

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DWS News Release

For 9:00 a.m. Release

May 15, 2007

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UTAH'S EMPLOYMENT SITUATION: April 2007

Utah's number of nonfarm wage and salaried jobs for April grew by 4.5 percent over the past year. Employment growth has held steady at this level throughout 2007. Utah's current growth remains well above the state's long-term average of 3.3 percent per year since 1950. Approximately 54,000 new jobs have been created in the Utah economy over the past year, raising total wage and salary employment in Utah to 1,247,800. This increase translates to around 4,500 new jobs created monthly in Utah over the past year.

Utah's other primary indicator of current labor market conditions, the seasonally adjusted unemployment rate, measures 2.5 percent for April, down 0.6 percentage points from the unemployment rate of 3.1 percent registered a year ago in April, 2006. Approximately 33,700 Utahns were unemployed in April 2007 as compared to 40,000 in April 2006. The United States' unemployment rate registered 4.5 percent in April.

Mark Knold, chief economist for the Department of Workforce Services commented, "Utah is riding a sustained period of employment growth. It began in late 2003 and is rolling on into its fourth year. During that time we became one of the better performing state economies in the nation, but generally trailed Nevada and Arizona for top billing. But from what I can ascertain now looking at recent Bureau of Labor Statistics data measuring all the states, we are now the best-performing state economy in the nation. Nevada and Arizona have slowed just enough to allow Utah to move ahead. Our neighbors are still doing well—Wyoming, Idaho, Arizona, and Nevada—but right now, we stand at the top."

Since April 2006, the United States' economy has added 1.9 million new jobs—a growth rate of 1.4 percent. The approximately 54,000 new jobs in Utah represent about 2.8 percent of all the **new** jobs added in the United States over the past year—this from a state that comprises less than 1 percent of **all** United States jobs.

There is current irony in the relationship between the Utah economy and the greater United States economy. Intuition would imply that Utah would benefit from a stronger United States economy—the thinking that a rising sea lifts all ships. But currently Utah is actually in a better position from a weaker United States economy than if the greater United States economy would find more solid footing and grow at a faster pace, employing more workers. With an unemployment rate as low as ours, Utah needs the excess labor that other parts of the United States will provide. That excess labor pool would dry up if the United States economy became stronger and workers from other parts of the country decided to stay put and find jobs where they are.

Utah Labor Market Indicators April 2007

Employment Growth: 4.5%
Employment Increase: 54,000
Unemployment Rate: 2.5%

United States

Employment Growth: 1.4%
Unemployment Rate: 4.5%

That very situation actually happened to Utah in the late 1990s. As the United States economy strengthened, Utah's weakened. We lost our labor inflow, and Utah's then strong employment growth lost its fuel. As it stands now, pockets of weakness throughout the United States seem to be sufficient to supply Utah with the additional labor that it needs. This domestic inflow is especially beneficial to the higher-paying, knowledge-based jobs that Utah is producing and that an economy needs to enhance its earnings and wealth. International labor flows, though potentially controversial to mention, are providing Utah with a supply of lesser-skilled labor that might otherwise be an area of labor shortfall in a hyper-low unemployment environment like Utah's.

Employment growth remains strong in all sectors, with the exception of the information sector, which actually recorded a small employment loss over the past year. This is the first month in several years where we are actually seeing a year-over job loss in an industrial sector. But even that one is tempered, as it is really more of an accounting loss than an actual job loss. America Online (AOL) in Ogden closed, but Teleperformance absorbed most of its workers. In reality, little if any jobs were lost in Utah because of this. Yet on paper, those jobs were lost in the information sector, only to be transferred to the professional and business services sector. Still, with the information sector going negative with the loss of merely 400 jobs, it does unveil the overall weakness in that sector. It is dominated by the telecommunications industry, and that industry is still struggling to revive itself after the tech-bubble bust earlier this decade.

Other than this anomaly, all other industries are growing and doing well in Utah. Construction continues as the strongest employment growth area, far outdistancing all other industries. With its three-years-and-counting strong growth pace, construction will once again be Utah's strongest employment-growth industry this year.

There is a subtle change underway in the fundamentals of the construction industry. Residential construction permit activity began to surge in early 2003, culminating in an historic high in mid-2006. Since then, that peak has passed, and permit authorizations, though still historically high, are noticeably trending downward. But nonresidential activity has stepped in to fill any void. A surge in nonresidential construction usually lags a surge in residential construction by roughly two years. First you build the houses, and then you build the churches and stores. Utah nonresidential construction valuation began its surge in early 2005 and is still in the process of developing and climbing to its peak. This suggests that whatever construction layoffs that the residential building industry may incur because of fewer building permits will be easily absorbed and employed by the surging nonresidential industry. Residential construction is more labor intensive than nonresidential, but with all the commercial and industrial construction underway in Utah, the net effect is continued construction employment growth in Utah through this year and into next.

The broader picture of housing-related employment in Utah (which includes construction, real estate, building material stores, mortgage brokers, etc.) has grown from 8 percent of all Utah employment in 2000 to currently over 10 percent. In December 2006, Utah's overall economic growth was 4.9 percent. If the housing-related portion is removed, then overall growth was 4 percent. Therefore, housing-related employment accounts for a full percentage point of Utah's current employment growth.

*** Utah's April seasonally-adjusted unemployment rates by county are scheduled for release on Tuesday, May 22, 2007.**

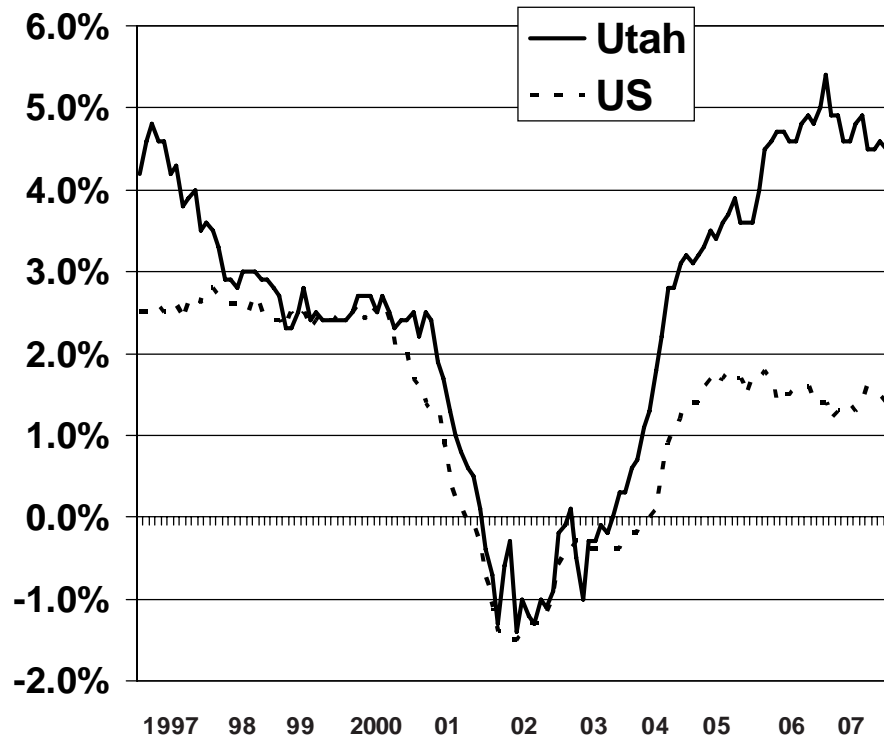
*** Utah's May employment numbers will be released at 9:00 a.m. on Tuesday, June 12, 2007.**

Utah Nonagricultural Jobs by Industry and Components of the Labor Force

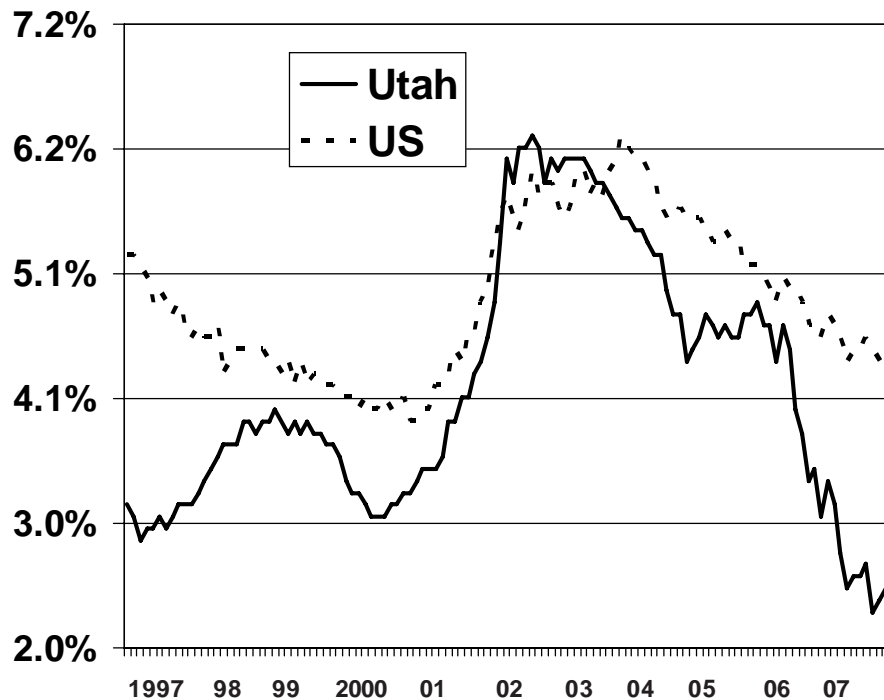
Numbers are in thousands	April(f) 2007	April 2006	Percentage Change	March(r) 2007	March 2006	Percentage Change
CIVILIAN LABOR FORCE (seasonally-adjusted)	1,342.3	1,300.9	3.2	1,335.7	1,296.0	3.1
Employed	1,308.6	1,260.9	3.8	1,304.2	1,255.5	3.9
Unemployed	33.7	40.0	-15.8	31.5	40.5	-22.2
Unemployment Rate	2.5	3.1		2.4	3.1	
NONAGRICULTURAL EMPLOYMENT (Thousands)	1,247.8	1,193.7	4.5	1,236.0	1,182.2	4.6
Not seasonally-adjusted						
GOODS PRODUCING	242.8	222.0	9.4	237.6	218.0	9.0
Natural Resources, and Mining	11.2	9.7	15.6	10.9	9.4	15.5
Construction	104.6	90.6	15.4	100.7	87.2	15.4
Construction of Buildings	23.0	20.0	15.0	22.5	19.7	14.1
Heavy and Civil Engineering	10.1	9.1	11.2	9.2	8.3	
Specialty Trade Contractors	71.4	61.3	16.5	69.0	59.3	16.4
Manufacturing	127.0	121.9	4.2	126.1	121.4	3.9
Durable Goods	86.2	81.9	5.2	85.7	81.7	5.0
Primary and Fabricated Metals	16.6	15.8	5.1	16.5	15.8	5.0
Computer and Electronic Products	12.2	11.0	11.2	12.1	11.0	9.3
Transportation and Equipment Manufacturing	14.9	14.5	3.2	14.9	14.4	3.3
Non-Durable Goods	40.7	39.9	2.0	40.4	39.7	1.8
SERVICES PROVIDING	1,005.0	970.7	3.5	998.4	964.2	3.5
Trade, Transportation, and Utilities	239.1	229.6	4.1	238.8	229.5	4.0
Wholesale Trade	46.1	44.0	4.9	45.9	43.8	4.7
Retail Trade	142.4	136.9	4.0	142.4	136.9	4.0
Motor Vehicle and Parts Dealers	17.9	17.4	3.0	17.7	17.2	3.0
Food and Beverage Stores	22.9	22.2	3.0	23.0	22.3	3.0
General Merchandise Stores	26.8	26.5	0.9	27.5	27.3	0.9
Transportation and Utilities	50.6	48.8	3.7	50.5	48.7	3.5
Utilities	4.1	4.0	1.2	4.1	4.0	1.2
Transportation & Warehousing	46.5	44.8	3.9	46.4	44.7	3.7
Air Transportation	6.9	6.6	4.9	6.9	6.6	3.4
Truck Transportation	19.1	18.2	4.9	19.0	18.1	5.0
Information	32.0	32.2	-0.5	31.9	31.7	0.5
Publishing Industries	9.4	9.3	0.9	9.3	9.3	0.9
Motion Picture and Sound Recording	4.2	4.5	-5.3	4.2	4.0	5.2
Telecommunications	6.7	6.0	12.4	6.6	5.8	12.8
Internet Service Providers	7.3	7.8	-5.5	7.4	8.0	-7.4
Financial Activities	74.1	70.7	4.8	73.5	70.2	4.7
Finance and Insurance	55.7	53.4	4.3	55.2	52.9	4.3
Real Estate and Rental and Leasing	18.4	17.3	6.3	18.3	17.2	6.2
Professional and Business Services	161.5	152.4	6.0	158.1	149.8	5.6
Professional, Scientific, and Technical Services	66.5	60.6	9.8	65.3	59.6	9.7
Architectural, Engineering, and Related	12.5	11.4	9.9	12.2	11.1	10.3
Computer Systems Design and Related	14.0	13.2	6.0	13.7	12.9	6.0
Management of Companies and Enterprises	19.3	19.2	0.3	19.3	19.2	0.2
Administration & Support						
& Waste Management & Remediation	75.8	72.6	4.4	73.5	71.0	3.6
Employment Services	23.9	23.2	3.0	24.2	23.5	3.0
Business Support Services	17.6	17.6	-0.3	17.5	17.6	-0.5
Education and Health Services	140.3	134.8	4.1	139.8	134.5	4.0
Educational Services	33.3	31.7	4.9	32.9	31.5	4.5
Health Services and Social Assistance	107.0	103.1	3.8	106.9	103.0	3.8
Ambulatory Health Care Services	42.4	40.6	4.5	42.4	40.6	4.6
Hospitals	29.4	28.5	3.1	29.5	28.6	3.1
Nursing and Residential Care Facilities	20.0	19.4	3.2	19.8	19.2	3.0
Social Assistance	15.2	14.6	4.1	15.3	14.7	4.1
Leisure and Hospitality	112.6	109.7	2.7	111.9	107.8	3.8
Arts, Entertainment, and Recreation	18.8	18.6	1.2	18.4	17.2	7.1
Accommodation and Food Services	93.8	91.0	3.1	93.4	90.6	3.1
Accommodation	18.7	17.9	3.9	18.4	17.7	3.9
Food Services and Drinking Places	75.2	73.0	2.9	75.0	72.9	2.9
Other Services	35.4	33.7	5.0	35.4	33.8	4.6
Government	209.9	207.8	1.0	209.0	206.9	1.0
Federal Government	36.0	35.8	0.6	35.9	35.7	0.6
Federal Defense	16.5	16.5	-0.1	16.5	16.5	0.0
Other Federal Government	19.5	19.3	1.1	19.4	19.2	1.1
State Government	64.5	63.8	1.1	64.5	63.8	1.1
State Schools	36.3	35.8	1.3	36.4	35.9	1.3
Other State Government	28.2	28.0	0.9	28.2	27.9	0.9
Local Government	109.3	108.1	1.1	108.6	107.4	1.1
Local Education	64.1	63.5	0.9	64.3	63.8	0.9
Other Local Government	45.3	44.6	1.5	44.3	43.7	1.5

Source: Utah Department of Workforce Services f = forecast r = revised May 15, 2007

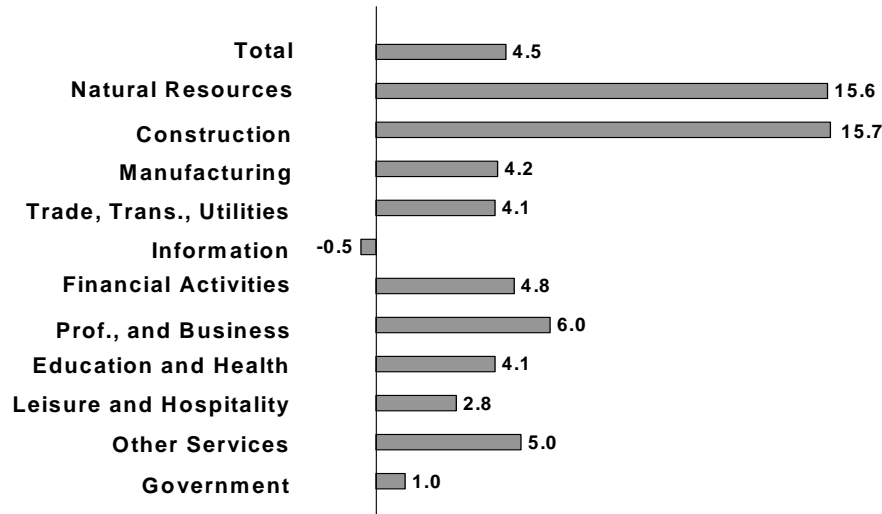
Year-Over Percent Change in Nonfarm Jobs



Seasonally Adjusted Unemployment Rates

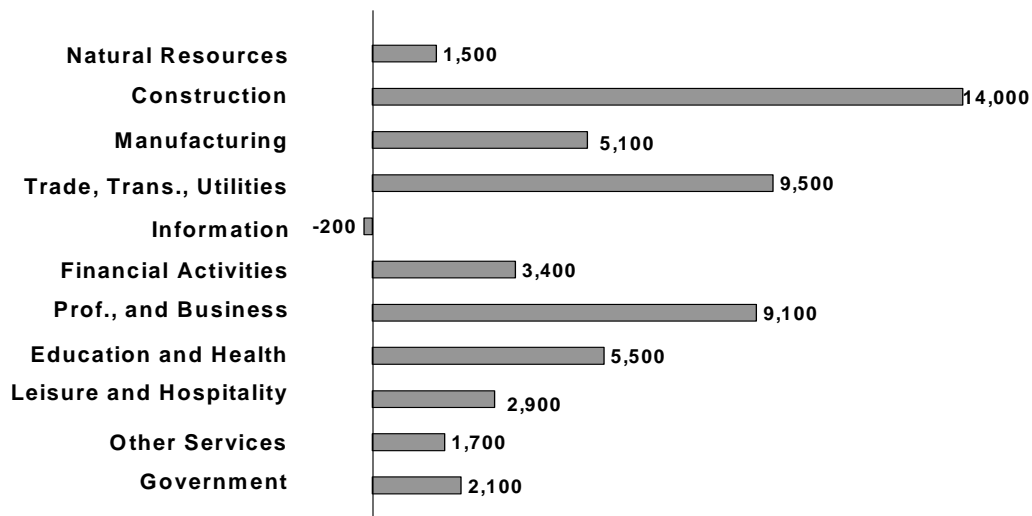


Utah Nonfarm Job Growth (Percent Change) April 2006 – 2007



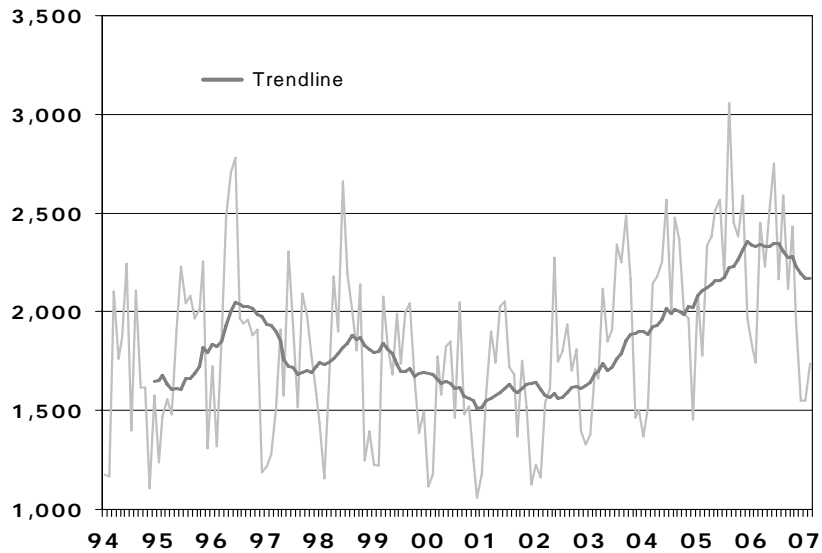
Source: Utah Department of Workforce Services

Utah Nonfarm Job Growth (Numeric Change) April 2006 – 2007



Source: Utah Department of Workforce Services

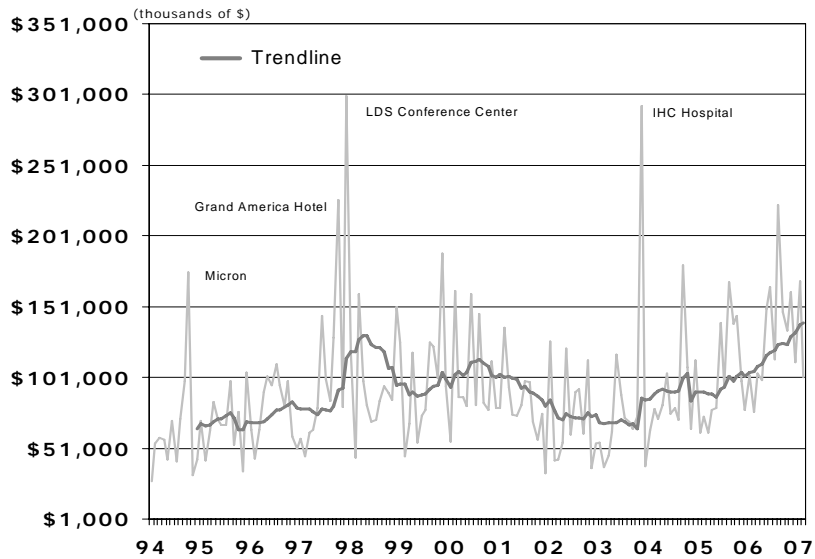
Utah Residential Dwelling Unit Approvals 1994 – 2007



Source: Bureau of Economic and Business Research, University of Utah; May 2007.

<http://www.business.utah.edu/display.php?pageId=1137>

Utah Nonresidential Construction Valuation 1994 – 2007



Source: Bureau of Economic and Business Research, University of Utah; May 2007.

<http://www.business.utah.edu/display.php?pageId=1137>

NONFARM EMPLOYMENT IN UTAH'S COUNTIES

	April 2007(f)	April 2006	Percent Change	March 2007(r)	Feb. 2007(r)
State Total	1,247,759	1,193,699	4.5	1,236,010	1,224,327
Bear River	70,112	68,136	2.9	69,678	69,070
Box Elder	19,582	19,197	2.0	19,575	19,304
Cache	49,834	48,299	3.2	49,428	49,102
Rich	696	640	8.8	674	665
Wasatch Front	813,822	781,522	4.1	806,011	799,529
North	200,454	194,346	3.1	197,303	195,511
Davis	103,353	99,984	3.4	100,963	99,654
Morgan	1,875	1,814	3.3	1,875	1,874
Weber	95,226	92,548	2.9	94,465	93,982
South	613,368	587,176	4.5	608,708	604,018
Salt Lake	598,359	572,681	4.5	593,746	589,176
Tooele	15,010	14,495	3.6	14,962	14,842
Mountainland	214,826	202,996	5.8	214,440	212,980
Summit	22,779	21,488	6.0	24,007	24,183
Utah	185,031	175,406	5.5	183,572	181,904
Wasatch	7,016	6,102	15.0	6,861	6,893
Central	24,317	23,606	3.0	23,902	23,518
Juab	4,041	3,415	18.3	3,921	3,772
Millard	3,950	3,903	1.2	3,910	3,870
Piute	365	322	13.2	330	348
Sanpete	6,966	7,236	-3.7	6,906	6,813
Sevier	7,946	7,695	3.3	7,880	7,791
Wayne	1,050	1,035	1.4	954	924
Southwestern	79,742	75,551	5.5	78,233	76,846
Beaver	1,955	1,903	2.7	1,982	1,919
Garfield	2,399	2,252	6.5	2,003	1,924
Iron	17,885	16,891	5.9	17,653	17,477
Kane	3,239	3,037	6.7	2,965	2,769
Washington	54,264	51,468	5.4	53,631	52,758
Uintah Basin	22,348	19,852	12.6	21,945	21,459
Daggett	417	450	-7.4	370	356
Duchesne	7,409	6,356	16.6	7,181	7,044
Uintah	14,523	13,046	11.3	14,395	14,060
Southeastern	22,591	22,036	2.5	21,801	20,925
Carbon	9,707	9,346	3.9	9,590	9,473
Emery	4,014	3,954	1.5	3,925	3,812
Grand	4,616	4,648	-0.7	4,161	3,631
San Juan	4,253	4,088	4.0	4,125	4,009

f = forecast r = revised but not final.

Note: Numbers have been left unrounded for convenience rather than to denote accuracy.

Source: Utah Department of Workforce Services, Workforce Information, 5/15/07